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TAGS: PREL PREF PGOV KS KN
SUBJECT: ROKG AID SUSPENSION TRIGGERS ANGRY DPRK BACKLASH

Classified By: A/DCM Joseph Y. Yun. Reasons 1.4 (b/d).

¶1. (S) SUMMARY: In a July 21 meeting with the A/DCM, Secretary to the President for National Security Strategy

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Park Sun-won said that the DPRK has responded strongly to the ROKG's suspension of humanitarian aid following the DPRK's July 5 missile launches. To date, the DPRK has indicated that it would suspend family reunions, expel South Korean workers from a Mt. Kumgang construction project, and end contacts between ROKG and DPRK officials at the Kaesong Industrial Complex (KIC). Park believed that the suspension of humanitarian aid, in conjunction with the recent flooding in North Korea, could lead to a severe food shortage in the DPRK, which could in turn provoke further retaliation from the North. Park was adamant that the ROKG response to the missile launches had been strong and real, and that Pyongyang was also responding similarly. END SUMMARY.

INTERMINISTERIAL TALKS BACKGROUND

¶2. (S) Explaining the decision to continue with the interministerial talks in Busan even after the missile launches, Park said that there were two schools of thought within the Blue House. The first, which included Park and NSA Song Min-soon, believed it was important to postpone or cancel the talks. Second, led by Deputy NSA Suh Joo-sok, wanted to keep lines of communication with the DPRK open. Ultimately, President Roh compromised; he allowed the talks to proceed as scheduled, but with an agenda limited to condemning the missile launches and urging the DPRK to return to the Six Party Talks.

¶3. (S) On July 12, NSA Song sent Park to Busan to tell Minister of Unification Lee Jong-seok to break off the talks if the DPRK insisted on talking only about humanitarian aid. Park arrived late in the evening, found Lee, and delivered NSA Song's message. Lee, not happy to see Park, said, "Don't worry, my brother, it's already done." Lee had been firm about keeping to the agenda as planned and the North Koreans had already decided to return to Pyongyang.

DPRK RESPONSE UNEXPECTEDLY HARSH

¶4. (S) The DPRK's suspension of family reunions was an attack on the ROK's "most fragile social element." Park said

that the suspension was very painful to the President, government and the people of South Korea. In addition, the DPRK expelled South Korean construction workers at Mt. Kumgang and cut off government-to-government contacts at the Kaesong Industrial Complex (KIC), where daily contacts between North and South Korean officials had become routine (See Comment). The DPRK would probably ask the Ministry of Unification to close its KIC office. Park pointed out that the seriousness of the DPRK's response was indicative of the strength of ROK countermeasures to the missile launches.

¶ 15. (S) Park appeared frustrated at international criticism that the ROKG was not doing enough in response to DPRK provocations. "We are the front line state. We are directly exposed to the threat and will be the first casualties. Thus, we are doing what we should do and are struggling more strongly than anyone else. We want the U.S. to understand and relate to our situation in a more realistic and fair manner," he said.

¶ 16. (S) A/DCM observed that government statements condemning North Korean behavior were often watered down by other statements that aid would soon resume or other activities would continue as planned. Park replied that the government was adhering to a plan of speaking reasonably, but acting firmly. He said the ROKG would not, "like Japan," just speak out rashly in ways that would have no impact on North Korean behavior.

FOOD SHORTAGE COULD PROVOKE NUKE TEST, OTHER RESPONSES

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¶ 17. (S) Park said that North Korea appeared to have sustained tremendous flood damage following heavier-than-normal monsoon rains last weekend. The flooding and the suspension of food and fertilizer could combine to cause a serious food shortage. In that event, the DPRK could, Park predicted, lash out even more strongly. For example, there was "some chance" the DPRK would test a nuclear bomb, test medium-range missiles, or display a thermo-nuclear device to journalists or other outside observers. There was a "low possibility" that the DPRK would withdraw its representatives from the UN. There was also a possibility that the DPRK would engage in actions designed to increase tension in the South, such as orchestrating incursions along the Demilitarized Zone or the Northern Limit Line (in the West Sea).

ARIRANG FESTIVAL

¶ 18. (S) The ROKG has not yet decided its position with regard to the Arirang Festival, which is held annually in Pyongyang to commemorate DPRK Founder Kim Il-sung's birthday. Park said that there were many members of civil society who wished to travel to the festival, and there was nothing in the ROK laws that could forbid them from going. Last year, the government permitted anyone to go, but only after an intelligence briefing that warned them away from certain places or people in Pyongyang. This year, the government would likely be more conservative and try to restrict attendees further, he said.

COMMON U.S.-ROK FRONT NECESSARY

¶ 19. (S) Park and A/DCM agreed that, especially in light of the DPRK's strong response to the ROKG countermeasures, it would be necessary for the U.S. and ROKG to maintain a common front. They concurred that the only chance of bringing Pyongyang back to the Six Party Talks would be through maintaining a common approach.

SIX PARTY TALKS MUST GO ON, EVEN IF FIVE ATTEND

¶ 10. (S) The ROKG continued to believe that there should be Five Party Talks if the DPRK refused to attend Six Party Talks. Park said that President Roh intended to call Chinese President Hu Jintao on the evening of July 21 to probe for

China's impressions and intentions. Roh intended to address President Hu's apparent reluctance to hold Five Party Talks and explain that it would be important to continue dialogue in order to implement the September 19, 2005 Joint Statement.

China, Park said, was "very frustrated," but its role was becoming even more important.

COMMENT

¶11. (S) Our Unification Ministry contacts subsequently confirmed that Pyongyang had notified Seoul to withdraw all ROKG personnel from the Kaesong Industrial Complex. This would be the official government-to-government liaison office in the KIC where virtually all administrative decisions -- ranging from investment licenses to personnel -- are made. On the ROKG side, around fifteen officers, mostly from the Unification and Finance Ministries, work in the liaison office. This is the only ROKG presence in the DPRK.

VERSHBOW